

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: PROPOSED DISPOSITION OF PARCELS RE-2A, RE-7A
AND RE-4 IN THE
SOUTH END URBAN RENEWAL AREA
PROJECT NO. MASS. R-56

WHEREAS, the Boston Redevelopment Authority, hereinafter referred to as the "Authority", has entered into a contract for loan and capital grant with the Federal Government under Title I of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified project; and

WHEREAS, the Urban Renewal Plan for the South End Urban Renewal Area, Project No. Mass. R-56, hereinafter referred to as the "Project Area", has been duly reviewed and approved in full compliance with local, state, and federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and the carrying out of urban renewal projects with Federal financial assistance under said Title I, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, Inland Steel Development Corporation has not performed in accordance with the tentative designation of the Boston Redevelopment Authority dated June 24, 1971; and

WHEREAS, the Peabody Construction Company, Inc. has presented a proposal for the assignment of Inland Steel Development Corporation's "Contract of Sale" with the Boston Housing Authority for the purchase and redevelopment of Disposition Parcels RE-2A, RE-7A, and RE-4 in the South End Urban Renewal Area:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That the assignment of contract by Inland Steel Development Corporation to the Peabody Construction Company, Inc. for the construction of 234 public housing units for the elderly on Disposition Parcels RE-2A, RE-7A, and RE-4, South End Urban Renewal Area, be accepted, subject to:

(a) Concurrence in the proposed disposal transaction by the Department of Housing and Urban Development;

(b) Publication of all public disclosure and issuance of all approvals required by the Massachusetts General Laws and Title I of the Housing Act of 1949, as amended;

(c) Submission within ninety (90) days in a form satisfactory to the Authority of:

(i) Evidence of the availability of necessary equity funds; and

(ii) Evidence of firm financing commitments from banks or other lending institutions; and

(iii) Final Working Drawings and Specifications.

2. That the disposal of said parcel by negotiation is the appropriate method of making the land available for redevelopment.

3. That it is hereby determined that peabody Construction Company, Inc. possesses the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan for the Project Area.

4. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(e) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).



SOUTH END URBAN RENEWAL AREA

BOSTON REDEVELOPMENT AUTHORITY

SCALE
APRIL 1969
DRAWING NUMBER

R 56

MEMORANDUM

april 13, 1972

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT T. KENNEY, DIRECTOR

SUBJECT: ACCEPTANCE OF ASSIGNMENT OF CONTRACT BY
INLAND STEEL DEVELOPMENT CORPORATION TO
PEABODY CONSTRUCTION COMPANY, INC.
DISPOSITION PARCELS RE-2A, RE-7A, RE-4
SOUTH END URBAN RENEWAL AREA
PROJECT NO. MASS. R-56

SUMMARY: This Memorandum requests the acceptance of the assignment of contract by Inland Steel Development Corporation to the Peabody Construction Company for the construction of 234 public housing units for the elderly to be developed for the Boston Housing Authority by the "Turnkey" method.

On June 24, 1971, the Boston Redevelopment Authority tentatively designated Inland Steel Development Corporation as Redeveloper of the captioned parcels in the South End Urban Renewal Area. Subsequent to this tentative designation, Inland Steel entered into a Contract of Sale with the Boston Housing Authority for the construction of three buildings to house 234 dwelling units for elderly persons. Under this Contract of Sale, which obligated Inland Steel Development Corporation to submit working drawings within 120 days, it was anticipated that construction could start on these units in the late fall of 1971.

Although under an approved Department of Housing and Urban Development contract with the Boston Housing Authority, Inland Steel persisted in proposing alternate schemes for the construction of these units which were unacceptable to HUD, the Boston Housing Authority and the Boston Redevelopment Authority. It has become clear that Inland Steel was not going to proceed in the construction of the units as designed and as accepted by the various agencies, and that necessary action was called for by the agencies involved.

It is now the consensus of the Agencies involved, that the most satisfactory and expeditious manner to resolve the reluctance of Inland Steel to construct the units was to have them assign their already executed contract to a more experienced Turnkey developer. Inland has voluntarily entered into discussions with at least three other builders (CBI Corp., Modular Buildings Components, Inc., and the Peabody Construction Co., Inc.)

all of which are more experienced in the Turnkey method than the Inland Steel Corporation. In February of 1972, Inland entered into an assignment of contract with the Peabody Construction Company, Inc.. By letter of March 8, 1972, HUD has informed all interested parties that it finds no legal or administrative objections to the proposed assignment of the "Contract of Sale". The Boston Housing Authority by vote of March 8, 1972, assented to the assignment from Inland Steel to the Peabody Construction Company, Inc.

It is felt that this new assignment of contract to the Peabody Company represents an effective means of expediting the construction of the 234 units in the South End. It is felt that the experience and financial resources of the Peabody Company (which is exhibited on the attached Statement of Public Disclosure) will enable it to proceed with the construction of these units in the summer of 1972.

Therefore I recommend that the Authority accept the assignment of contract from the Inland Steel Development Corporation to the Peabody Construction Company, Inc. An appropriate Resolution is attached.

Attachment